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Producers'-cum-Consumers' Co-operative Societies, Malabar.

* 1075 *Q.*—SRI M. NARAYANA KURUP : Will the Hon. the Minister for Health be pleased to state whether the Co-operative department has taken complete charge of all the Producers'-*cum*-Consumers' Co-operative Societies in Malabar?

THE HON. SRI A. B. SHETTY :—" No, Sir."

* 1076 *Q.*—SRI M. NARAYANA KURUP : Will the Hon. the Minister for Health be pleased to state whether any conditions have been laid down by the Co-operative department for taking complete charge of the Producers'-*cum*-Consumers' Co-operative Societies, Limited, Malabar, and if so, what they are?

THE HON. SRI A. B. SHETTY :—" The Government have ordered that the following conditions should be satisfied before administrative control over a Producers'-*cum*-Consumers' Co-operative Society is transferred to the Co-operative department :—

(1) The procurement and distribution work done by the Producers'-*cum*-Consumers' Co-operative Society should have been wound up ;

(2) the money due to Government from the society should have been recovered or should be covered by the amount due to it by Government; and

(3) the society should not have anything to do with the purchase and sale of paddy and rice in the free market."

SRI M. NARAYANA KURUP :—" May I know how many societies have been brought under the direct control of the Co-operative department and how many yet remain to be taken over? "

THE HON. SRI A. B. SHETTY.—" Out of 107 societies, 62 have been taken over from the Collector of Malabar by the Co-operative department up to 18th January 1955. Seventeen of these were taken over recently. Eighteen societies have been converted into other types of societies. The registration of twelve societies has been cancelled. Four more societies have to be liquidated. Inquiries are being made with regard to 28 societies regarding the possibility of converting them into other types of societies."

SRI K. KUNHI MOHAMED SHAFEE :—" Taking charge of the administrative control of the Provincial Co-operative Credit Societies in Malabar by the Co-operative department has taken a long time since procurement in the district and distribution of rice were given up by the societies. Taking into consideration the difficulties felt by certain societies in getting themselves converted into multi-purpose societies with limited liability and rural banks with the same limited liability, will the Government please issue instructions to the department to make necessary amendments to the rules prohibiting the conversion of these societies into multi-purpose societies and rural banks with limited liability? "

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THE HON. SRI A. B. SHETTY :—" I have already said that the Registrar went to Kozhikode and held conference and the decisions made at that conference will be implemented soon."

SRI S. RAMALINGAM :—" May I know the special reasons for imposing the condition that the Producers'-*cum*-Consumers' Societies should not procure or distribute rice or paddy when some of the other societies in other parts of the State are allowed to procure paddy and rice? "

THE HON. SRI A. B. SHETTY :—" When Producers'-*cum*-Consumers' Societies are converted into other types of societies, they cannot continue to do such business unless they are converted into co-operative stores."

SRI M. NARAYANA KURUP :—" When the Registrar was present in Malabar and when he attended the conference, the difficulties on account of the delay in settlement of accounts and the condition imposed were placed before him and the conference passed a resolution that the Government might be pleased to take over the management though the settlement of accounts with the Government was not completed. To avoid a long question, may I know whether the Government propose to accept that decision of the conference? "

THE HON. SRI A. B. SHETTY :—" My Hon. Colleague the Minister for Agriculture will make a statement on this subject."

Sago industry.

8-50 a.m. * 1077 *Q.*—SRI K. ARANGANATHAN : Will the Hon. the Minister for Agriculture be pleased to state whether any State aid is given to the sago industry and if so, what?

THE HON. SRI M. BHAKTAVATSALAM :—" No State aid has been given to any unit of the sago industry as no request for such aid was received."

SRI K. ARANGANATHAN :—" Sir, are the Government aware of the heavy loss sustained by this industry and may I know what steps have been taken by the Government in this matter? "

THE HON. SRI M. BHAKTAVATSALAM :—" Sir, as hon. Members are aware there was some trouble. The West Bengal Government have taken up this matter and I am glad to tell hon. Members that this matter is being settled and the cases on both sides are being withdrawn."

SRI K. KUNHI MOHAMED SHAFEE :—" Sir, in view of the fact that the cases pending in the Calcutta courts regarding the sale of sago have been withdrawn and in view of the sympathetic attitude taken by the West Bengal Government, will the Government see that these matters are expedited and settled as early as possible so that the export of sago from Salem could be expedited? "